



39 CFR Part 111

New Mailing Standards for Domestic Mailing Services Products

AGENCY: Postal Service™.

ACTION: Final rule.

SUMMARY: On April 10, 2023, the Postal Service (USPS®) filed a notice of mailing services price adjustments with the Postal Regulatory Commission (PRC), effective July 9, 2023. This final rule contains the revisions to *Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM®) to implement the changes coincident with the price adjustments and other minor DMM changes.

DATES: *Effective* July 9, 2023.

FOR FURTHER INFORMATION CONTACT: Doriane Harley at (202) 268-2537 or Dale Kennedy at (202) 268-6592.

SUPPLEMENTARY INFORMATION: On May 31, 2023, the PRC favorably reviewed the price adjustments proposed by the Postal Service. The price adjustments and DMM revisions are scheduled to become effective on July 9, 2023. Final prices are available under Docket No. R2023-2 (Order No. 6526) on the Postal Regulatory Commission's Web site at www.prc.gov.

Marketing Mail Flat-Shaped – New Pricing Structure

Currently, the pricing structure for USPS Marketing Mail flat-shaped pieces uses a two-tier pricing approach. For pieces weighing 4 oz or less, only a per-piece price is charged. For pieces weighing over 4 oz but less than 16 oz, both a per-piece and per-pound rate is charged.

The Postal Service will change the way USPS Marketing Mail flats are priced. For each presort level, all pieces regardless of their weight will pay a piece price which will differ only by the entry level, i.e., Origin, DNDC, DSCF, and DDU. The pound price would be applicable only to the weight above 4 ounces. For

example, if the piece weighs 6 ounces, the pound price will be charged only for the 2 ounces that are above 4 ounces.

Discount for USPS Marketing Mail Letter-Shaped Pieces on SCF Pallets

Currently, the Postal Service offers discounts for USPS Marketing Mail flat-shaped pieces on SCF pallets. This discount would now be extended to letter-shaped USPS Marketing Mail pieces on SCF Pallets. This discount will be applicable to Automation and Nonautomation (AADC, 3-Digit and 5-Digit Presort) Letters, Carrier Route Letters, High Density Letters, High Density Plus Letter and Saturation Letters on SCF Pallets regardless of the entry (None, DNDC, and DSCF).

Registered Mail Service Fees

The Postal Service is revising the fee structure for Registered Mail® service. Currently, the fee structure includes the combined cost of handling and insurance, which incrementally increases in accordance with an item's declared value, up to \$50,000.00 – the maximum available amount of insurance reimbursement. For items with declared value over \$50,000, there are incrementally increasing handling fees, although the maximum amount of insurance reimbursement remains capped at \$50,000. The Postal Service is revising the fee structure to eliminate the additional handling fees for items with declared value over \$50,000, and instead have a flat fee that will cover the cost of insurance (which remains capped at a maximum of \$50,000, regardless of the declared value) and handling on all items with declared values over \$50,000.00.

USPS Ground Advantage Insurance

Currently, the Postal Service does not include insurance coverage with USPS Ground Advantage – Retail and USPS Ground Advantage – Commercial (formerly First-Class Package Service – Retail and First-Class Package Service – Commercial) pieces against loss, damage, or missing contents. Additionally, the

Postal Service does not include insurance with USPS Ground Advantage Return service (formerly First-Class Package Return Service) pieces.

The Postal Service will include insurance, limited to a maximum liability of \$100.00, with USPS Ground Advantage – Retail and USPS Ground Advantage – Commercial pieces.

In addition, the Postal Service will include the \$100.00 of insurance with USPS Ground Advantage Return service pieces. The inclusion of \$100.00 of insurance with USPS Ground Advantage Return service pieces, along with Priority Mail Return service which already has insurance included, will eliminate the senders' option to purchase insurance.

Elimination of Service Type Code Combinations

The Postal Service is eliminating certain service type code (STC) / extra service code (ESC) combinations. The decision is based on those product and extra service code combinations with low use or low demand, and those that do not follow Postal Service compliance with Intelligent Mail package barcode rules. Mailers can speak with a USPS representative for details.

Marriage Mail 2 oz Incentive Price

Marriage Mail is a form of marketing mail in which marketing service companies combine advertisements from multiple businesses into a single mailpiece to reduce the cost of the mailing for individual customers.

The Postal Service will provide marriage mailers an incentive price on Saturation USPS Marketing Mail letters and flats including EDDM (not EDDM Retail) that weigh 2 ounces or less, if they meet certain requirements.

Among the requirements to be eligible to claim the incentive price are that qualifying Marriage Mail pieces must include at least 4 advertisers and must be mailed at minimum 10 times every 12 months (starting with the month of first claiming the incentive price).

Information on the requirements to claim the Marriage Mail Incentive price will be posted on PostalPro at postalpro.usps.com.

2024 Mailing Promotions

The Postal Service has been incenting mailers to integrate mobile technology and use innovative print techniques in commercial mail since 2012. These promotions have become an integral way for industry to try new things and innovate their mail campaigns. A 2024 Promotions Calendar is planned with opportunities for mailers to receive a postage discount by applying treatments or integrating technology in their mail campaigns.

These revisions will provide consistency within postal products and add value for customers.

Market Dominant comments on Proposed changes and USPS responses.

The Postal Service did not receive any formal comments on the April 2023 proposed rule (88 FR 22973 - 22975).

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The Postal Service adopts the described changes to *Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM), incorporated by reference in the Code of Federal Regulations. We will publish an appropriate amendment to 39 CFR part 111 to reflect these changes.

List of Subjects in 39 CFR Part 111

Administrative practice and procedure, Postal Service.

Accordingly, 39 CFR part 111 is amended as follows:

PART 111 – [AMENDED]

1. The authority citation for 39 CFR part 111 continues to read as follows:

Authority: 5 U.S.C. 552(a); 13 U.S.C. 301-307; 18 U.S.C. 1692-1737; 39 U.S.C. 101, 401- 404, 414, 416, 3001-3018, 3201-3220, 3401-3406, 3621, 3622, 3626, 3629, 3631-3633, 3641, 3681-3685, and 5001.

2. Revise the *Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM) as follows:

Mailing Standards of the United States Postal Service, Domestic Mail Manual (DMM)

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240 Commercial Mail USPS Marketing Mail

243 Prices and Eligibility

1.0 Prices and Fees

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1.2 USPS Marketing Mail Prices

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[Renumber item (c) as (d) then add a new item (c) to read as follows:]

- c. For USPS Marketing Mail flats that weigh over 4 ounces, the pound price is applicable only to the weight above 4 ounces. For example, if the piece weighs 6 ounces, the pound price will apply only to the 2 ounces that are above 4 ounces.

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1.5 Computing Postage for USPS Marketing Mail

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1.5.4 Per Piece and Per Pound Charges

[Add a sentence at the end of the paragraph to read as follows:]

***For USPS Marketing Mail flats that weigh over 4 ounces, the pound price is applicable only to the weight above 4 ounces.

1.5.5 Computing Affixed Postage for Piece/Pound Price Mailpieces

[Revise the text of 1.5.5 to read as follows:]

To compute postage to be affixed to each piece/pound price piece, multiply the weight of the piece (in pounds) by the applicable price per pound (For USPS

Marketing Mail flats, multiply the weight of the piece that exceeds 4 ounces by the applicable price per pound); add the applicable per piece charge and any surcharge; and round the sum up to the next tenth of a cent. See 244.2.0 for affixing postage.

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4.0 Price Eligibility for USPS Marketing Mail

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4.3 Piece/Pound Prices

[Revise the last sentence of 4.3 to read as follows:]

Flats that exceed 4 ounces are subject to a two-part piece/pound price that includes a fixed charge per piece and a variable pound charge based on the weight above 4 ounces.

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500 Additional Mailing Services

503 Extra Services

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1.0 Basic Standards for All Extra Services

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1.4 Eligibility for Extra Services

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1.4.1 Eligibility—Domestic Mail

[Revise the text of 1.4.1 to read as follows:]

Exhibit 1.4.1 provides the eligibility of each extra service for domestic mail. The exhibit also provides the additional extra services that may be combined with each extra service. The combined extra services are subject to the eligibility of the mail listed for each extra service. Certain eligible extra service combinations may not be available for purchase (Mailers can speak with a USPS representative for details.).

The following extra services or additional extra services may be added at the time of mailing, if available, when the standards for the services are met and the applicable fees are paid.

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Exhibit 1.4.1 Eligibility—Domestic Mail

EXTRA	ELIGIBLE	ADDITIONAL COMBINED EXTRA
SERVICE	MAIL	SERVICES

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Insurance

Insurance Restricted Delivery

[Revise the “Note:” under “Insurance” to read as follows:]

Note: Priority Mail Express, Priority Mail, and USPS Ground Advantage includes \$100.00 of insurance; see 503.4.0.

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1.4.3 Eligibility—Domestic Returns

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Exhibit 1.4.3 Eligibility—Domestic Returns

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[Delete the \leq \$500 and $>$ \$500 insurance options columns under the “Eligible Extra Services (Paid by Sender) section of the table.]

[Delete footnote #4 in its entirety.]

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2.0 Registered Mail

2.1 Basic Standards

2.1.1 Description

[Revise the ninth sentence in the introductory text of 2.1.1 to read as follows:]

***Registered Mail articles valued over \$50,000.00 are charged a flat fee that includes insurance up to \$50,000.00 maximum insurance limit, and the handling cost. ***

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4.0 Insured Mail

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[Revise the heading of 4.2 to read as follows:]

4.2 Insurance Coverage — Priority Mail, USPS Ground Advantage – Retail and USPS Ground Advantage – Commercial

[Revise the introductory text of 4.2 to read as follows:]

Priority Mail pieces (including Priority Mail Return service) and USPS Ground Advantage – Retail and USPS Ground Advantage – Commercial (including USPS Ground Advantage Return service), are insured against loss, damage, or missing contents, up to a maximum of \$100.00, subject to the following:

[Revise the text of items a through c to read as follows:]

- a. Insurance coverage is provided against loss, damage, or missing contents and is limited to a maximum liability of \$100.00 when the pieces bear an Intelligent Mail package barcode (IMpb) or USPS retail tracking barcode (see 4.3.4) and the mailer pays retail or commercial prices.
- b. In addition to the insurance coverage under 4.2a, additional insurance may be purchased up to a maximum coverage of \$5,000.00.
- c. Pieces meeting the requirements under 4.2, but not supported by a Shipping Services file must have a full acceptance scan in order to qualify for automatic insurance coverage.

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[Revise the first sentence of item e to read as follows:]

e. Customers may file claims online for insured domestic items at

www.usps.com/domestic-claims. ***

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505 Return Services

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3.0 USPS Returns Service

3.1 Basic Standards

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3.1.3 Postage and Prices

Postage and prices are subject to the following:

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c. The account holder or mailer may obtain extra and additional services as follows:

[Revise the text of item c1 to read as follows:]

1. Insurance is available for USPS Returns service (see 503.4). Insurance is included with the postage for Priority Mail Return service and USPS Ground Advantage Return service (see 503.4.2). Additional insurance for Priority Mail Return service and USPS Ground Advantage Return service is available to the account holder for a fee on packages that have the applicable STC imbedded into the IMpb on the label, and for which the account holder has provided electronic data that supports the value of the merchandise (see 503.4.3.1a). Only the account holder may file a claim (see 609). Mailers returning a USPS Returns service package may not obtain insurance at their own expense.

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705 Advanced Preparation and Special Postage Payment Systems

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8.0 Preparing Pallets

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8.10 Pallet Presort and Labeling

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8.10.3 USPS Marketing Mail or Parcel Select Lightweight - Bundles, Sacks, or Trays

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[Revise the text 8.10.3c to read as follows]

- c. 5-digit carrier routes, required except for trays, permitted for bundles, sacks, trays, and cartons. Allowed with no weight minimum for bundles. Pallet must contain only carrier route mail for the same 5-digit ZIP Code. The SCF Pallet discount applies to 5-digit carrier routes USPS Marketing Mail letter trays on an SCF pallet entered at an Origin (None), DNDC, or DSCF entry. Labeling:***

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[Revise the last two sentences of 8.10.3d to read as follows]

*** The SCF Pallet discount applies to 5-digit/5-digit scheme USPS Marketing Mail letter trays and flat shaped bundles on an SCF pallet entered at an Origin (None), DNDC, or DSCF entry. SCF pallet discount does not apply to USPS Marketing Mail parcels. Labeling:***

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[Revise the last two sentences of 8.10.3e to read as follows]

The SCF Pallet discount applies to 3-digit, AADC, ADC, 5-digit, 5-digit scheme, Carrier Route, High Density, High Density Plus, and Saturation (including EDDM flats – Not Retail) USPS Marketing Mail letter trays and flat shaped bundles on an SCF pallet entered at an Origin (None), DNDC, or DSCF entry. SCF pallet discount does not apply to USPS Marketing Mail parcels. Labeling:

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[Revise the last two sentences of 8.10.3f to read as follows]

The SCF Pallet discount applies to 3-digit, AADC, ADC, 5-digit, 5-digit scheme, Carrier Route, High Density, High Density Plus, and Saturation (including EDDM flats – Not Retail) USPS Marketing Mail letter trays and flat shaped bundles on an SCF pallet entered at an Origin (None), DNDC, or DSCF entry. SCF pallet discount does not apply to USPS Marketing Mail parcels. Labeling:

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Notice 123 (Price List)

[Revise prices as applicable.]

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Tram T. Pham,

Attorney, Ethics and Legal Compliance.

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